

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PETITION OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY TO CHANGE)	
AND INCREASE CERTAIN RATES)	CASE NO. 9160
CHARGES FOR INTRASTATE TELEPHONE)	
SERVICE)	

AMENDED ORDER

Following its Final Order of May 2, 1985, in this proceeding Bell informed the Commission by letter dated May 13, 1985, that the billing and collecting revenue of \$2,804,000 included in the Commission's determination of Bell's adjusted gross operating revenue is included as a component of the \$37.2 million that is to be realized via access charges and therefore the Commission erred in accounting for these revenues twice. The Commission has reviewed Bell's assertion and determined that since billing and collecting revenue was included in Other Revenue rather than in revenue associated with access charges, the Commission's adjustment to impute access charge revenue of \$6,853,000 was \$2,804,000 too high. This determination results in the Commission's granting Bell an additional \$2,804,000 in revenue to be produced on an annual basis for a total increase in revenue to be produced on an annual basis of \$24,117,000.

Upon review of the transcript of evidence of the cross-examination of Bell's witnesses in this case, the Commission finds that no Bell witness made this point clear during or prior to the hearings, although sufficient opportunity was presented. Only one reference in the entire record of evidence (consisting of thousands of pages) clarifies this point, and that reference was made in a post-hearing information response to an intervenor. While the Commission recognizes the error and is herein granting additional revenue, the Commission stresses to Bell that coordination between its accounting staff and its rate design staff is imperative and that the lack of coordination in these areas resulted in this error.

ORDERS

IT IS THEREFORE ORDERED that the rates in Appendix A as revised herein are the fair, just and reasonable rates to be charged by Bell for telecommunication services provided on and after April 29, 1985.

IT IS FURTHER ORDERED that all other provisions of the Commission's Order of May 2, 1985, in this matter remain in full force and effect.

IT IS FURTHER ORDERED that Bell shall provide the Commission with its revised tariff sheets setting out the rates and charges approved herein within 30 days of the date of this Order.

Done at Frankfort, Kentucky, this 21st day of May, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Hernandez
Chairman

R. Ch. Lopez
Vice Chairman

Samuel
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9160 DATED May 21, 1985

The following rates and charges are prescribed for the customers in the area served by South Central Bell Telephone Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

A3. BASIC LOCAL EXCHANGE SERVICE

A3.2 STATEWIDE RATE SCHEDULES

A3.2.1 FLAT RATE SCHEDULE

A. The following schedule of monthly rates is applicable to flat rate main station line service:

<u>Group</u>	<u>Total Main Station Lines and PBX Trunks</u>		<u>Residence</u>		<u>Business</u>	
			<u>Ind.</u>	<u>2-Pty.</u>	<u>Ind.</u>	<u>2-Pty.</u>
1	0	- 13800	\$ 12.63	\$ 9.47	\$ 31.77	\$ 23.82
2	13801	- 25100	13.59	10.19	35.08	26.31
3	25101	- 45500	14.34	10.76	37.71	28.27
4	45501	- 200800	15.09	11.33	40.49	30.36
5	200801	- 1191800	18.70	14.02	53.99	40.49

A3 BASIC LOCAL EXCHANGE SERVICE

A3.2.2 MEASURED RATE SCHEDULE

A. The following schedule of monthly rates is applicable to measured rate main station line service:

<u>Group</u>	<u>Total Main Station Lines and PBX Trunks</u>	<u>Residence Individual Line Low-Use</u>	<u>Residence Individual Line Standard</u>	<u>Business Individual Line</u>
1	0 - 13800	\$ 6.31	\$ 9.47	\$ 23.82
2	13801 - 25100	6.79	10.19	26.31
3	25101 - 45500	7.17	10.76	28.27
4	45501 - 200800	7.54	11.33	30.36
5	200801 - 1191800	9.35	14.02	40.49

A3.5 JOINT USER SERVICE

A3.5.2 RATES

1. Business Individual Line

	<u>Monthly Rate</u>
(a) Flat Rate	
- Exchanges in Louisville Local Calling Area	\$ 13.49
- All other exchanges	9.03
(b) Measured Rate	
- Exchanges in Louisville Local Calling Area	10.12
- All other exchanges	6.77
(c) Message Rate	
- Louisville exchange	8.77
(d) Semipublic	
- Exchanges in Louisville Local Calling Area	10.12
- All other exchanges	6.77

2. PBX Service

(a) Commercial Flat Rate	
- Exchanges in Louisville Local Calling Area	13.49
- All other exchanges	9.03
(b) Measured Rate	
- Exchanges in Louisville Local Calling Area	10.12
- All other exchanges	6.77

A3. BASIC LOCAL EXCHANGE SERVICE

	<u>Monthly Rate</u>
3. Hotel PBX Service	
(a) Message Rate	
- Exchanges in Louisville Local Calling Area	\$ 8.77
- All other exchanges	5.87
(b) Permanent Guest or Tenant Maintaining a Residence in the Hotel (Message Rate)	
- Exchanges in Louisville Local Calling Area	3.50
- All other exchanges	2.36
(c) Measured Rate	
- Exchanges in Louisville Local Calling Area	10.12
- All other exchanges	6.77
(d) Permanent Guest or Tenant Maintaining a residence in the Hotel (Measured Rate)	
- Exchanges in Louisville Local Calling Area	4.04
- All other exchanges	2.70

A3.7.3 MESSAGE RATE SERVICE

<u>Exchange</u>	Business Ind. Line Monthly Charge <u>Each Line</u>
Louisville	\$ 35.09

A3.15 TRUNK LINES

A3.15.4 HOTEL PBX SERVICE

	<u>Monthly Rate</u>
(a) Business Message Rate Service (Furnish with dial or manual systems for guest and management use)	
- Trunks (Both-way or Outward Only), each	
- First trunk with an allowance of 50 outward local messages	
- Exchanges in Louisville Local Calling Area	\$ 35.09
- All other exchanges	23.48

A3. BASIC LOCAL EXCHANGE SERVICE

	<u>Monthly Rate</u>
- Additional trunk without message allowance	
- Exchanges in Louisville Local Calling Area	30.09
-All other exchanges	18.48

A17. MOBILE TELEPHONE SERVICE

A17.4 RATES

A17.4.1 SERVICE CHARGES

A. Measured Rate Mobile Service

(1) Local Service

<u>Base Station</u>	<u>Mo. Rate for Svc. Incl. 1 hr. of Use of the Radio Line on a Dial Basis</u>
Bowling Green	\$ 36.48
Frankfort	36.48
Louisville	48.09
Owensboro	36.48
Paducah	36.48
Pikeville	36.48
Prestonsburg	36.48
Winchester	36.48

A100. OBSOLETE SERVICE OFFERINGS

A100.64.6 RATES

Monthly Rates
Schedule 1 Schedule 2

B. Station Lines

1. Centrex I

(a) Main Centrex Station Number Access, at the Location with the largest number of main stations. Both Exchange Access and Intercommunication charges following apply.

- Exchange Access Charge		
- First 100 station lines, each	\$ 8.59	\$ 13.22
- Next 200 station lines, each	4.74	7.30
- Next 600 station lines, each	4.27	6.58
- Over 900 station lines, each	4.27	6.58

(b) Main Centrex Station Number Access, at each additional location. Both Exchange Access and Intercommunication charges following apply.

- Exchange Access Charge		
- First 100 station lines, each	6.02	9.27
- Next 200 station lines, each	6.02	9.27
- Next 600 station lines, each	4.27	6.58
- Over 900 station lines, each	4.27	6.58